

For Immediate Release

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## **Senate Budget Chairman Gregg Presses for Containment of Medicare Prescription Drug Program**

### ***Program \$45 billion over original estimate***

WASHINGTON—Chairman Judd Gregg today announced the Congressional Budget Office's (CBO) estimate of the ten-year cost of the Medicare prescription drug program has grown to \$855.7 billion over the 2006-2015 period. Since passage of the bill, the cost of the prescription drug benefit has grown \$45 billion over the original 10 years (2004-13) of the program.

“With American taxpayers and their children already burdened with almost \$30 trillion in unfunded liability for the Medicare program, Congress and the Administration have an obligation to limit the drug benefit to its original size,” said Chairman Gregg.

“The Medicare prescription drug program is unaffordable as it is currently structured,” said Chairman Gregg. “Before the program has even been implemented, estimates of its cost have jumped by \$45 billion.”

In December 2003, the original CBO estimate of the Medicare prescription drug benefit was \$552.2 billion from 2004 through 2013. The final score of the legislation included reductions of \$12.5 billion in other programs and a credit of \$144.7 billion in pharmaceutical costs the federal government already paid, primarily in Medicaid, bringing the final score to \$395 billion.

Since then, estimates of the cost of the prescription drug benefit have consistently grown. Over the original 2004 to 2013 time period, CBO is now forecasting that the benefit will cost \$597.2 billion, an increase of \$45 billion since the bill was passed.

Over the next 75 years, the prescription drug benefit has an \$8.7 trillion unfunded liability, in addition to the \$20.9 trillion in unfunded liability the American taxpayer already must shoulder for the remainder of the Medicare program.

